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Federal Communications Communications Communications Office of the Secretary

Congress of the United States House of Representatives

July 24, 2002 RECEIVED

The Honorable Michael K. Powell Chairman Federal Communications Commission 445 Twelth Street, S.W. Washington, D.C. 20554

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Federal Communications Commission Office of the Secretary

Dear Chairman Powell:

I am writing to encourage swift reexamination of the Federal Communications Commission's "newspaper/broadcast cross-ownership rule," which prohibits the common ownership of a broadcast station and a daily newspaper in the same local market. I understand that, in the coming months, the Commission will undertake a comprehensive review of its broadcast and cable ownership rules. and that the agency **bas** targeted spring/summer 2003 for completion of those review proceedings. I strongly encourage the Commission to move forward expeditiously to complete its reevaluation of all of the media ownership rules as promised. In particular, however, I ask that you commit the Commission to completing its outstanding rulemaking proceeding with respect to the newspaperhroadcast prohibition without further delay, so that long overdue revisions to that rule can be put into place early in 2003.

The newspaper/broadcast cross-ownership prohibition was adopted 27 years ago and has not been reexamined since that time. In its 1998 Biennial Review Report, the Commission promised to commence a rulemaking proceeding to consider modifications to the prohibition. Subsequently, in September of 2001, the Commission initiated a rulemaking seeking comments on whether the ban should be retained, modified, or repealed. Comments were filed in December 2001, and replies in February of this year, and the proceeding is now ripe for decision. Indeed, prior to your announcement of plans for a comprehensive review of the broadcast and cable ownership tules, 1 had anticipated a resolution of the newspaper/broadcast proceeding before the end of this calendar year.

It is irrefutable that dramatic and far-reaching changes in the media marketplace have occurred since 1975, when the newspaper/broadcast rule was adopted by the Commission. At that time, FM radio had not yet fully emerged, fewer than 1.000 television stations were in operation nationwide, and the three major broadcast networks dominated the marketplace. The cable television industry was in its infancy, and direct broadcast satellite (DBS) services did not yet exist.

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Honorable Michael K. Powell July 24.2002
Page Two

Today, consumers enjoy the benefits of an information marketplace in which there are no fewer then seven national TV networks, all with affiliates in the great majority of local markets. In addition, newspapers and broadcasters must compere with cable systems that reach 70% of the nation's homes and offerhundreds of channels of programming, DBS providers who serve another 15% of the nation, a great variety of weekly newspapers and magazines, yellow pages, direct mail:outdoor advertising, and the limitless sources of news, information, and entertainment content available via the Internet. In recognition of these far reaching changes in the mass media marketplace, over the past decade the Commission, Congress, and the courts have either eliminated or substantially relaxed virtually all of the FCC's other media ownership restrictions. Only the newspaper/broadcast cross-ownenhip ban has remained completely unchanged.

I believe that the enormous **growth** in the number and variety of competing media sources at the local **as** well **as** national level largely eliminates the concerns for diversity and competition that underlay the adoption of the newspaper ban in 1975. Further, many daily newspapers **are** ideal candidates to expand and enrich the local **news** and informational programming and other services offered by broadcast stations in their **markets**.

I urge the Commission to move forward quickly to level the playing field for newspaper publishers and broadcasters by completing its reexamination of the newspaper/broadcast cross-ownership ban and affording newspaper publishers and broadcasters the opportunity to compete on a more equal footing with their many rivals

Thanking you for your time and agention to this matter, I remain

Sinderely

Rick Boucher

Member of Congress

CC: Commissioner Kathleen Q. Abernathy
Commissioner Michael J. Copps
Commissioner Kevin J. Martin
W. Kenneth Feme. Chief, Media Bureau

RB/jem